

military after graduating from North Surry High School. He began his career as an infantryman, but later decided that his calling was to care for his wounded comrades. Last year, Sergeant Hiatt volunteered to go to Afghanistan because he felt compelled to help his country at war.

Sergeant Hiatt was a loving husband, father, son and brother. His friends describe him as someone "having a big heart and always going the extra mile to help others."

He leaves behind his wife, Misty Hiatt, his 2-year-old daughter, Kyra Hiatt, his parents, George and Angela Hiatt, and three siblings. May God bless and comfort them during this very difficult time.

We owe this brave soldier and his family a tremendous debt of gratitude for his selfless service and sacrifice. Our country could not maintain its freedom and security without heroes like Sergeant Hiatt who made the ultimate sacrifice. Americans as well as Afghans owe their liberty to Sergeant Hiatt and his fallen comrades who came before him.

Mr. Speaker, please join me in honoring the life of Sergeant Anton Hiatt.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

(Mr. EMANUEL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MALONEY) is recognized for 5 minutes.

(Mrs. MALONEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. BUTTERFIELD) is recognized for 5 minutes.

(Mr. BUTTERFIELD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

(Mr. GUTKNECHT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Texas (Mr. POE) is recognized for 5 minutes.

(Mr. POE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

(Mr. MORAN of Kansas addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### BLUE DOG COALITION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Arkansas (Mr. ROSS) is recognized for 60 minutes as the designee of the minority leader.

Mr. ROSS. Mr. Speaker, this evening, as on each Tuesday evening, I rise on behalf of the fiscally conservative Blue Dog Coalition, a group of 37 of us that are fiscally conservative Democrats that are concerned about the state of affairs in America. We are concerned about the debt, the deficit, the budget; and we are committed to trying to restore some common sense and fiscal discipline to our Nation's government and our Nation's budgeting process.

Ever since I was a small child growing up in Prescott, Emmet and Hope, Arkansas, I always heard it was the Democrats that spent the money. And yet it was a President named Bill Clinton from Arkansas, from my hometown of Hope, Arkansas, in fact, that gave this Nation its first balanced budget in 40 years. From 1988 through 2001, America enjoyed the prosperity that came with having its fiscal house in order. America enjoyed the prosperity that came with having a balanced budget.

It is hard now to believe that from 1998 through 2001 this country had a balanced budget, because, as we all know, for the sixth year in a row this Nation, under this Republican-led Congress and under this President, this administration, has given us the largest budget deficit ever, ever in our Nation's history for a sixth year in a row.

As a matter of fact, as you walk the Halls of Congress, it is easy to spot a fiscally conservative Democrat because the 37 of us who belong to the Blue Dog Coalition have this poster outside our office in the Halls of Congress. As you can see today, the U.S. national debt is \$8,365,525,832,151 and some change. That is a big number.

Let us put it in a way that we all can understand it. For every man, woman and child, including those born this past hour, every citizen of America's share of the national debt is \$28,000 and some change.

Mr. Speaker, where I come from, very few of my constituents can afford to write a check for \$28,000 and yet it is this kind of debt, this kind of deficit that we are saddling on our children and grandchildren and expecting them

someday to pay back, and I believe it is morally wrong.

I raise these issues because, you see, my grandparents left this country better than they found it for my parents, and my parents left this country better than they found it for my generation, and I believe we have a duty and an obligation to try and leave this country just a little bit better than we found it for the next generation. But instead, for the sixth year in a row, we have the largest budget deficit ever in our Nation's history.

This administration, this Republican Congress, continues to pass tax cuts for those earning over \$400,000 a year. Just in the last few months, this Congress passed the so-called Budget Deficit Reduction Act. Here is what it did. It cut Medicaid, the only health insurance plan for the poor, disabled, and elderly. It cut student loans and a program for orphans to the tune of \$40 billion. And then they passed another tax cut to the tune of about \$90 billion.

I was not real good in math in high school or college, but you can do the math on that. Some \$90 billion in tax cuts for those earning over \$400,000 a year, \$40 billion in cuts to Medicaid, to orphan programs and to student loans. That amounts to \$50 billion in additional debt, and yet the Republican leadership in this body had the nerve to call it the Deficit Reduction Act.

Mr. Speaker, I believe it is time for those of us in the fiscally conservative Blue Dog Coalition to rise up and hold this administration, this Congress responsible for these kinds of reckless spending habits that destroy future generations.

The budget the President has submitted for fiscal year 2007, some \$2.8 trillion, you have to give it to him, he has managed to cut all of the programs that matter to people: health care, education, infrastructure, economic development, and yet give us the largest budget deficit ever in our Nation's history all at the same time. How does he do that? Because he continues to propose to borrow money from foreign lenders, foreign central banks, foreign investors to fund tax cuts for those earning over \$400,000 a year. What has it given us? It has given us a debt of \$8,365,525,832,151.

By the time we complete this hour, Mr. Speaker, the national debt will have risen more than \$41 million.

Every Tuesday night those of us in the Blue Dog Coalition, we are 37 members strong, we come here to talk about the debt and the deficit and what it means, not only to today's generation but to future generations, because you see, Mr. Speaker, these are big numbers. They are big numbers, but let me put it in perspective.

Not only is our Nation borrowing about a billion dollars a day; we are sending \$279 million every day to Iraq, but do not dare ask the President how he is spending it or if he has a plan for how it is to be spent because he will tell you that you are unpatriotic. Some

\$57 million is going every day to Afghanistan. And on top of that, our Nation is spending the first half a billion we collect in your tax money each and every day simply to pay interest, not principal, just interest on the national debt.

We need I-49 in my congressional district. I need \$1.5 billion to complete it. Give me 3 days' interest on the national debt, I can build I-49. On the eastern side, we are waiting on I-69. Give me 3 days' interest on the national debt, and I can complete I-69' and with these two interstates, we can bring economic opportunities and jobs to one of the most depressed and distressed areas of the country.

These are the kinds of priorities that should be America's priorities that continue to go unmet until we get our Nation's fiscal house in order and restore some common sense to our government.

Mr. Speaker, if you have questions for the Blue Dog Coalition, I would invite you to e-mail us at [bluedog@mail.house.gov](mailto:bluedog@mail.house.gov).

Mr. Speaker, we are very privileged this evening to have a special guest join us, that is, the whip of the Democratic Caucus, the gentleman from Maryland (Mr. HOYER), and I yield to the gentleman.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding, and I thank both Mr. ROSS and the Blue Dog Coalition for focusing on what I believe to be one of the most critical problems confronting our country. I am going to speak a little bit about that.

I lament the loss of one of the great leaders of the House, one of the great leaders of the Blue Dog Coalition, Charlie Stenholm. No Member with whom I have served over the last 25 years, a quarter of a century, has been any more focused on trying to instill fiscal responsibility in the policies of this House than was Charlie Stenholm.

Mr. Speaker, I want to thank my friends in the Blue Dog Coalition for organizing this important Special Order hour. The Blue Dogs have long been focused on this issue of fiscal responsibility, and I believe there is no more important issue in our Nation today.

□ 2030

I do not make that statement lightly. It is not hyperbole. I realize that our Nation is at war. Our gulf coast is still reeling from the worst natural disaster in American history. We are struggling, nearly 5 years after 9/11, to address our homeland security vulnerabilities.

Forty-five million Americans have no health insurance. Health care costs, gas prices, and college costs are all up for our citizens; and median household income, at the same time, as you know, Mr. ROSS, is down. These are many of these critical issues that we face today. However, what the Blue Dog Coalition knows, and what every American needs to know, is that these

issues that we face will all be impacted by the dangerous fiscal policies that we are embarked on.

Why? Because the record Federal budget deficits and exploding national debt that have been instigated over the last 5 years will affect our ability to address virtually every issue confronting the American people. That is why this matters.

This is not just some pie-in-the-sky issue that Mr. ROSS and I are talking about. Mr. ROSS made it very clear what he could do with just 3 days' interest in terms of bringing economic vitality to an area that needs growth and jobs and help with prosperity. Other issues such as the war on terror, homeland security, health care, education, Social Security and Medicare are all going to be impacted by these incredibly huge deficits that we are creating.

Now, Mr. Speaker, I know you are interested in these comments, but here is what David Walker had to say, the Comptroller General of the United States. He told the Senate Budget Committee on February 15, and I quote, "Continuing on this unsustainable fiscal path will gradually erode, if not suddenly damage, our economy, our standard of living and, ultimately, our national security." Now, that is the gentleman whom we have appointed as the watchdog for the Congress on the finances of this country to make sure we don't waste money. What he is saying is, these policies are unsustainable, dangerous and will undermine our national security.

Mr. Speaker, it gives me no pleasure to say this, but I believe it is an undisputed statement of fact. This administration, through its insistence on unaffordable tax policies, is the most fiscally reckless administration in American history. Just listen to former Republican House Majority Leader Dick Armey of Texas, who told the Wall Street Journal in January of 2004, and again I quote, "I'm sitting here and I'm upset about the deficit, and I'm upset about spending. There is no way I can pin that on the Democrats. Republicans own the town now." That was the former Republican majority leader saying, Republicans are responsible for this reckless, irresponsible fiscal policy that worries Dick Armey.

Simply look at the facts. When President Bush took office in January 2001, he inherited a projected 10-year budget surplus of \$5.6 trillion. That is what he said. It is not what we said. He said that in a statement to the Congress.

President Clinton reduced the budget deficit every year during his first term, and then, Mr. Speaker, in his second term, presided over four straight budget surpluses. That hadn't been done for 70 years prior to that time. The first time that happened was 70 years ago. In fact, the Clinton administration paid down the national debt by \$453 billion during that second term. In fact, the surpluses were over half a trillion

dollars. But we paid down the debt by \$453 billion.

So, not surprisingly, President Bush issued this bold prediction on March 31, 2001. Before I get to that, my friend has put up on the board, Mr. ROSS, the distinguished gentleman from Arkansas, has put up on the board the deficits over the last 25 years. Now, I have been in Congress every one of those years, Mr. Speaker. 17 of those have been with Republican Presidents, 17 of those years. Eight of those years have been with a Democratic President.

Now, Mr. Speaker, some say, oh, well, 9/11 happened. It did. It cost us. It was serious. We needed to respond to it. But, very frankly, from 1982 to 1993, 9/11 didn't happen. Did we go to war in Iraq? Yes. And the good news was President Bush and Jim Baker went around the world and said, this is an international problem, and the international community paid for it. We didn't.

But if you will look at those figures that Mr. ROSS has put up, every year, every one, without fail, under a Republican President over the last 25 years has been a deficit year.

And then you get to the Democratic year. Now, frankly, Mr. ROSS has them in blue, but the first four numbers are, in fact, red numbers. We ran deficits. Why? Because we were pulling ourselves out of the deep debt that had been created by the prior two administrations. And then when we did that, it then took us into surplus for 4 straight years. But here's the good news.

Seventeen years, it is the bad news first; 17 years under Republican administrations, \$4-plus trillion of deficits. Under Bill Clinton, \$62.2 billion of surplus. That is an amazing record.

But here's what President Bush issued, a prediction in March of 2001 inheriting these surpluses, quote: "We will pay off \$2 trillion of debt over the next decade." That is what President Bush said, over the next 10 years. He has now been here 6 years. Two billion dollars of debt over the next decade; that will be the largest debt reduction in any country, ever. Future generations, President Bush said, shouldn't be forced to pay back money.

Now, I want, Mr. Speaker, I know you will be interested in this and others will be interested, other colleagues. President Bush said this: "Future generations shouldn't be forced to pay back money that we have borrowed. We owe this kind of responsibility to our children and grandchildren."

Tragically, although President Bush said that, his policies have led to exactly the opposite and have placed, if you add—Mr. ROSS says \$28,000, but if you add the added debt limit, \$30,000 per child, per grandchild, per wife, per husband, and depending upon the size of your family, if it is four, \$120,000.

The reality, of course, shows that notwithstanding what Mr. Bush said he was going to do, the President said he was going to do, he has done exactly

the opposite. In 5 years, the Bush administration and this Republican Congress, Mr. Speaker, have created the four largest budget deficits in American history: As Mr. ROSS pointed out, \$378 billion in fiscal 2002, \$412 billion in fiscal 2003, \$318 billion in fiscal 2005, and a projected \$371 billion in fiscal 2006. And the Congressional Budget Office, Mr. Speaker, is projecting deficits as far as the eye can see.

So not only did this administration not reduce the deficit by \$2 trillion, it has added \$3 trillion. That is a \$5 trillion mistake.

As far as paying down the national debt, the administration and this Congress have been forced to raise the statutory debt limit four times in 5 years. As Mr. ROSS knows, and my good friend, Mr. MATHESON knows, during the last 4 years of the Clinton administration, we never raised the national debt, not once. And, in fact, during the entire 8 years, we only raised it twice.

This administration has raised the statutory debt limit four times, for a total of \$3.015 trillion, with a T. The national debt limit now stands at \$9 trillion, which means that every man, woman and child in America owes about \$30,000 of debt, as I said.

Consider, as the gentleman has pointed out, and he talked about it in terms of a day. We are borrowing \$600,000 per minute, \$600,000 per minute. In the last years of the Clinton administration, we didn't need to do that because we had responsible fiscal policies that we were pursuing.

Consider, the first 42 American presidents borrowed a total of \$1.01 trillion from foreign governments and financial institutions over 211 years. This administration, in 5 years, now in their sixth, has borrowed from foreign entities, China, Saudi Arabia and others, \$1.055 trillion. In other words, this President, in 5 years, has borrowed more money from foreign governments, foreign banks, foreign financial centers than all of the other Presidents America has had, combined.

Mr. Speaker, you don't need a doctorate in economics to appreciate that our Nation's economy and its security is more vulnerable when we are deeply indebted to foreign creditors.

Our deteriorating fiscal condition also has other serious side effects, Mr. Speaker. For example, the interest payments on the national debt are exploding. This is just like the interest consumers pay on their credit cards. In fiscal 2007, those interest payments will total a projected \$243 billion.

Now, Mr. Speaker and my colleagues, \$243 billion is more money than every bill we will pass appropriating money for health, for education, for infrastructure, for environment, for crime prevention, for fighting terrorism, except the defense bill. So of the 11 appropriations bills we will pass, only one is larger than the interest we have to pay on the debt because we are mortgaging our future. In fact, interest payments on the national debt over the next decade are projected at \$3 trillion.

Mr. Speaker, our children and grandchildren won't be able to buy anything for that. As a matter of fact, that sum is so large that just with the interest we are paying, we could pay all of Medicare expenses over the next 10 years. Think of that. These interest payments constitute resources that could have been used for national and homeland security, for Social Security and Medicare, for health care and education, and yes, Mr. Speaker, for tax cuts.

Now, Mr. Speaker, let me close by saying it is highly ironic that President Bush traveled the country last year warning of Social Security's imminent demise, while at the same time he was spending every single nickel of Social Security surplus over the last 5 years. \$817 billion of Social Security surpluses we have spent. And, in fact, what we have done is, we have taken those FICA taxes from working men and women and given it to some of the richest people in America in their tax cuts. My, my, my, what responsible policy. And, in fact, under the Republican budget policies every nickel of the Social Security surplus will again be spent over the next 5 years, a total of \$1.148 trillion in total.

Consider that just a few years ago the chairman of the House Budget Committee, Mr. NUSSLE of Iowa, confidently predicted, now, this is Mr. NUSSLE of Iowa, our colleague who chairs the Budget Committee, who talks about fiscal responsibility, he said this: This Congress will protect 100 percent of the Social Security and Medicare trust funds, period.

This is Mr. NUSSLE. No speculation, no supposition, no projections.

That statement of course, Mr. Speaker, proved absolutely, undeniably false, wrong. We have spent every nickel. We haven't saved 1 cent of that Social Security surplus. And I hope the Members of this House and the American people will keep this representation and others made by our Republican friends in mind as we prepare to consider this coming budget because they are going to say a lot of things, as they have in the past.

We will likely hear many more confident, bold predictions in the days ahead, predictions that are simply unmoored in fiscal reality. Every single Member of this House knows that the one tried and true method of restoring fiscal discipline is to reinstate the common-sense pay-as-you-go budget rules that were adopted when the Democrats were in charge in 1990. And George Bush I joined in that bipartisan agreement to get a handle on our fiscal posture in America.

Our Republican friends allowed those paygo rules to expire, Mr. Speaker, in 2002. We urged them to keep them. We have offered them in our budget resolution every year. They have been rejected. And our Nation has rued the day that that rule was changed.

I urge my colleagues, join Democrats in supporting pay-as-you-go budget

rules. Let us end this cycle of deficit and debt that threatens our Nation's security and future.

And I thank my friend, Mr. ROSS. I thank Mr. MATHESON, who cochairs the Blue Dog Caucus, for continuing to focus on this issue which, in my opinion, is the most important that confronts our country because every other issue will be impacted by our fiscal irresponsibility.

□ 2045

Mr. ROSS. Mr. Speaker, I thank the gentleman from Maryland (Mr. HOYER), the whip of the Democratic Caucus, for joining the Blue Dog Coalition this evening as we hold this Republican administration and this Republican Congress accountable for this reckless spending, for this record deficit, for the record debt, and for this out-of-control budget that truly does not reflect America's priorities.

The gentleman from Maryland raised an excellent point when he talked about the Social Security trust fund. And I am beginning to understand. The first bill I filed when I got to Congress back in 2001 was a bill to tell the politicians in Washington to keep their hands off the Social Security trust fund. And the Republican leadership refused to give us a hearing or a vote on that bill. And now I understand why, because when we talk about the fiscal year 2006 deficit at \$318 billion, that is not right. The real deficit is \$494 billion because the \$318 billion is counting the Social Security trust fund.

Now, when I go to the bank to get a loan, they want to know how I am going to pay it back, when I am going to pay it back, where the money is coming from to pay it back. And yet our government, this Republican Congress, continues to borrow billions of dollars from the Social Security trust fund with absolutely no idea, no provision on how or when or where the money is coming from to pay it back. And I believe that is morally wrong, as we have a duty and an obligation to protect Social Security for today's seniors as well as future generations.

I am also pleased to be joined this evening by one of the co-Chairs of the fiscally conservative Democratic Blue Dog Coalition, a real leader within the group, Mr. MATHESON from Utah.

Welcome.

Mr. MATHESON. Mr. Speaker, I thank my colleague, Mr. ROSS.

And it is great to have the minority whip join us. He has often been described as an honorary Blue Dog, and he has always recognized and been a voice in support of fiscally responsible policy. And I just want to emphasize a point that the minority whip had made in his comments about this notion that we should live with the set of rules that you have got to live within your means.

It is going to take some tough decisions to bring back fiscal discipline to this government. Balanced budgets are not going to be easy to achieve. If it

was easy, I would like to think it already would have happened.

So what the Blue Dogs believe is that you have got to put in a set of rules and a structure that helps encourage fiscal discipline. And one of the rules that the Blue Dogs have been strongly supportive of and the minority whip has mentioned in his comments is this notion that you pay as you go. And this is a concept that is pretty basic when you think about it.

If you have something new, a new program where you want to spend some money, you have got to pay for it. You have got to pay for it by taking money away from something else or finding a source of revenue to pay for it.

But the other piece of that puzzle is, if you want to do a tax cut, you have got to pay for that with corresponding cuts in spending or finding revenues elsewhere. It is really a pretty basic concept. I think people, when they look at their own household budget, look at it that way. They have so much money coming in and out that if they want to do an adjustment somewhere, they have got to do an adjustment someplace else to accommodate for that. And that is all we are asking.

And what is interesting, and I may want to ask the minority whip to describe this for me, he was here in 1990 when this was put in place, when the first President Bush was in office. I was not in Congress at that time, but those rules were in place starting after 1990, and I think among many factors, they were the critical factor in moving us toward the surpluses that we enjoyed by the end of the 1990s. And I find it unfortunate, and we should all find it unfortunate, quite frankly, that those rules were allowed to expire at the end of, I believe, 2001.

I know legislation has been offered and introduced to restore those rules. We cannot seem to get a vote on restoring those rules. I would love to have an up-or-down vote here in the House of Representatives on restoring those rules. I would love to see anyone, really, stand up and vote against that type of common-sense approach to encouraging fiscal discipline here in Congress.

I think that that is such a crucial point, I want to reemphasize what the minority whip had mentioned because I think that people are looking for solutions.

It is easy to step back and just complain about the problems we have here, but there are solutions out there to help us get our arms around this problem, and one of them is, let us look for these pay-as-you-go rules so that we all live within our means and we make responsible decisions.

The Blue Dogs actually have a 12-point plan, and I just want to talk about one other of those points in this segment where I am talking right now that I think is important, because along with trying to have fiscal discipline and making sure you live within your means, you have also got to

make sure that money is being spent wisely, and that means you need accountability. And we do not have accountability right now in many, many agencies within the Federal Government. Do you realize in the Department of Defense, there are 63 different agencies and only six of them can give you a clean audit of their books and the other 57 cannot tell you where the money is being spent?

Now, I think it is Congress' job to ask the questions about where that money is being spent. I do not think this Congress has been very aggressive in its oversight function and asking where the money has been spent. The most recent year for which we have this data is 2003, and the government cannot account for \$24.5 billion that was spent. And we throw a lot of numbers around here; \$24.5 billion is a lot of money. That is more than the budget for the entire Department of Justice for a whole year, and right now we do not have the ability to have Federal agencies tell us how that money has been spent.

So one of the other points of the Blue Dogs' plan I just want to mention is, it would be a requirement that you have got to give us a clean audit of your books, and if you do not, your budget stays frozen at the previous year's level. I think that is a pretty good economic incentive for people to want to tell us how the money is being spent, and that forces accountability. So with fiscal discipline, of course, we want to have a structure that forces those tough decisions, but it is also important that we make sure we know how money is being spent. We need to have answers to those questions.

So I wanted to stand up in response and reaction to the very great comments and great statistics and great information and history that the minority whip has laid out for this cycle of moving from debt to a period of surplus, and now we are moving deeply into debt again. I want to reemphasize his support of the pay-as-you-go that he mentioned. He mentioned another notion of accountability the Blue Dogs have been a strong advocate for. I think that is how we are going to try to get our arms around this situation.

Mr. ROSS. Mr. Speaker, I thank the gentleman from Utah (Mr. MATHESON), co-Chair of the fiscally conservative Blue Dog Coalition, for his insight.

And the gentleman is right. As members of the Blue Dog Coalition, we are trying to make some sense out of our Nation's government, out of the budget process, trying to restore some common sense and fiscal discipline. We are not here just to rail at the Republicans. It may be the first time in 50 years that they have controlled the White House, House, and Senate. But we are not here just to criticize or to hold accountable, but also to offer up solutions and ideas on how we can fix this thing for America and future generations, and that is why we have a 12-point plan.

And the gentleman from Utah talked about accountability. And right here you will see an aerial photo of a hay meadow at the Hope Airport in Hope, Arkansas, a so-called FEMA staging area. It is my understanding that it has been about 7 months now since Hurricane Katrina, a terrible storm, devastated the gulf coast. We have folks in Pass Christian, Mississippi, living in military-style tents. We have got some 80,000 people living in camper trailers. We have got over 10,000 families living in hotel and motel rooms spread out over several States. And yet FEMA has purchased and has stored in a hay meadow at the Hope Airport some 10,777 brand-new, fully furnished, fully furnished, manufactured homes, \$431 million worth just sitting there in a hay meadow at the Hope Airport, some 450 miles from the eye of the storm, while people continue to live in hotels and military-style tents and in camper trailers.

This is an example of the lack of accountability in our government. This is a symbol of what is wrong with this administration and what is wrong with FEMA. Their response is, they are concerned because, as you can see, they are literally just parked in this hay meadow, literally parked in the hay meadow.

And now winter weather has come and set in and spring is here and the showers are here and it is starting to rain. So FEMA's response, you would think, would be to get these 10,777; and 300 of them have been moved, by the way, good for FEMA, so we are down to 10,477 brand-new, fully furnished manufactured homes. You would think FEMA's response is, let us get them to the people who lost their homes and everything they own, who so desperately need them on the gulf coast. But no, FEMA's response is, we are going to fix that. We are going to spend \$6 million to gravel the hay meadow. That is FEMA's response.

It is the lack of accountability that people are fed up with, Mr. Speaker. This is a symbol of what is wrong with this administration, what is wrong with this Republican Congress and what is wrong with the Federal Emergency Management Agency.

At this time, I am pleased to yield to the gentleman from Georgia, a real leader within the fiscally conservative Blue Dog Coalition, Mr. SCOTT.

Mr. SCOTT of Georgia. Thank you very much, Mr. ROSS. And, as always, it is indeed a pleasure to be with you on these special orders.

I want to agree with our distinguished majority whip, who has distinguished himself in his years of leadership here, who has been fighting this fight for so long. And our whip pointed out an important point that is registering with the American people, and that is this: There is great concern all across the breadth and the depth of this country concerning the degree of foreign ownership of our country.

Mr. ROSS, we have time and time again been on this floor pointing out

the danger of foreign investment that we are overwhelmingly dependent upon. We are not critical of being an open, free society in which we are open for investors from all around the world to come and participate in our great economy. We are certainly not against the trade policies that involve all of the globalization. That is very important. We are very much involved and in support of opening up free markets so that our goods and our products are being traded.

But, Mr. ROSS, it is a dangerous, dangerous situation when we are overwhelmingly now dependent for our wherewithal on foreign interests. The fact that now that foreign investors control and own over 52 percent of our debt is not a healthy position for us to be in, for the mere fact that right now we are borrowing at a rate, that we are spending more just on interest to these countries than what we are spending on our own homeland security, our veterans, and our education, combined.

Here is the question: What will happen if this dries up? What will happen, let us say, in our negotiations and our dealings with China, from whom we are borrowing and who holds \$250 billion in our debt? Or with Japan, that controls over \$658 billion of our debt? Or with Taiwan, who controls over \$117 billion? Or Hong Kong at \$80 billion? Or the OPEC and the Middle Eastern countries, who control, combined, over \$75 billion of our debt?

The issue here is that these are countries in which we have severe differences with who can use this at an inappropriate moment of strategic blackmail in so many financial areas and national security areas. Speaking of which, we cannot have any national security if we do not have financial security.

Mr. ROSS, I am glad you mentioned your trailers. I had a town hall meeting back home in one of my communities called Riverdale in Clayton County, and my Uncle Eugene said, You know, I was watching you all on television. I want you to ask your partner there, Mr. ROSS, have they moved those trailers yet?

Mr. ROSS. Three hundred of them.

Mr. SCOTT of Georgia. Three hundred of them are moved. But they have still got so many there.

Mr. ROSS. Ten thousand four hundred and seventy-seven remain in this hay meadow at the Hope Airport while people continue to live in hotels, campers trailers, and military-style tents. It is horrible.

□ 2100

Mr. SCOTT of Georgia. We are in a very, very delicate situation financially and a very insecure position financially, particularly as the world is looking at us.

But the most important point that I want to make, as I turn it back over to one of my other colleagues, is this. In my office today I had a visit from a group of my constituents who run a program called TRIO.

TRIO is the overlaying umbrella of a series of upward-bound programs that help young people who need a helping hand to get them into college. And that program is being axed by the President. I just left this morning, a group of us in a CODEL, with Congressman JERRY MORAN, who is a good friend who is on the Republican side, but is a good subcommittee chairman of our commodities group.

We had a hearing on the farm bill. And the two most important issues that they were saying is, please, Congressman, do not let the Bush administration cut our farm programs, our conservation programs. We had another visit from another group of folks who were senior citizens: do not let them cut our Medicare and our Medicaid programs. From the veterans themselves: please do not let them cut any more of our programs.

So when we look abroad at the foreign situation and we look here at home, we see pressing concerns and threats to our financial security that is at the hands of this administration and its very, very unresponsive, irresponsible and reckless financial policies.

And I am just proud to be here with the Blue Dogs this evening to point those issues out and make sure that the American people are aware of the great, great issues that we are faced with.

Mr. ROSS. I thank the gentleman from Georgia who raises an excellent point, that is, how the United States is becoming increasingly dependent on foreign lenders, foreign central banks, foreign investors. In fact, foreign lenders currently hold a total of well over \$2 trillion of our public debt.

Compare that to only \$23 billion in foreign holdings back in 1993. And who are these countries that we are borrowing billions of dollars from? Japan, \$682.8 billion. China, \$249.8 billion.

As my friend from Tennessee, one of the founders of the Blue Dog Coalition, Mr. TANNER, has said before, if China decides to invade Taiwan, we will have to borrow even more money from China in order to defend Taiwan.

This does directly impact not only our national security, but our monetary policy because they can call these loans.

United Kingdom, \$223.2 billion. Caribbean Banking Centers, I had never heard of such, \$115.3 billion. Taiwan, \$71.3 billion. OPEC, \$67.8 billion they have loaned us to fund our government, to fund tax cuts for those earning over \$400,000 a year, and we wonder why we have got \$2.50 gasoline.

Korea, \$66.5 billion. Germany, \$65.7 billion. Canada, \$53.8 billion. And Hong-Kong rounds out the top 10 lenders in loaning money to the United States of America at \$46.5 billion.

I yield to the gentleman from Georgia.

Mr. SCOTT of Georgia. Just to add to that point, just to add to that, in addition to all of what you just said, when you add the fact that this country is

borrowing \$2 billion every day from foreign governments, just to finance our trade deficits, we have just been talking about the budget deficits.

But when you turn and you add our trade deficits to that, and Mr. ROSS, again, a point that came out of my agriculture hearing just today in Valdosta, Georgia, was the point that now for the first time, just 10 years ago, the United States, on our agriculture we controlled or held 17 percent of all of the world's exports on agriculture products.

Now, do you know that that is down to less than 10 percent? And the fact of the matter is, we are now exporting more of our foodstuffs into this country than we are exporting out. This is not good for our national security, for this country, not only depending upon our finances from abroad; but, good Lord, if we get to the point where we are depending on our food from abroad, we are in serious trouble.

Mr. ROSS. Mr. Speaker, I thank the gentleman from Georgia. I am pleased to have him as an active member of the fiscally conservative Democratic Blue Dog Coalition. We are 37 members strong.

Mr. Speaker, if you have questions, comments or concerns you would like to raise with us, you can e-mail us at [bluedog@mail.house.gov](mailto:bluedog@mail.house.gov). That is [bluedog@mail.house.gov](mailto:bluedog@mail.house.gov).

Another very active member, a leader within the fiscally conservative Democratic Blue Dog Coalition, is the gentleman from California (Mr. SCHIFF). I yield to him for as much time as he may so desire.

Mr. SCHIFF. Mr. Speaker, I thank the gentleman from Arkansas (Mr. ROSS) for yielding to me. Once more I thank him for leading these Blue Dog hours each week and for the tremendous job he does in trying to balance our budget here in the Nation's Capital, as well as look out for those constituents back in Arkansas.

I wanted to join the gentleman from Arkansas and raise a number of concerns with the way that we are handling the Nation's budget, talk about some of the reforms that the Blue Dogs have been advocating. Let me just start out by talking about the budget picture. The chart that you have put up, Mr. ROSS, really tells the story of the trillions of dollars' worth of debt we have acquired, the fact that for every man, woman and child in the country, we now owe \$28,000.

I was out in my district last week talking to a group of school kids. They were asking me, what would I like to see different about the way the country is run. I said, well, for one thing, I would like to see us balance our budget.

Right now, we are spending your money, I told this young man. We are spending so much of your money, that when you graduate from college, if you graduated tomorrow, in addition to your student loans, you would owe the

country \$28,000. By the time you actually graduate from college, it will probably be, on the present course, much more than that.

Now, why is it that we have this debt? Well, the bottom line is, we are spending money faster than it is coming in, and you can't vote. We are spending your money, because you cannot object. That just is not right.

Now, how did we get to this situation? I think we got here through some very creative accounting. It used to be that when we calculated our debt, we looked at a 10-year window. But the 10-year picture got so bleak, we decided that, no, we will start looking at, instead, a 5-year window. We won't look at what happens beyond 5 years because the debt just grows so large.

In fact, what we started to do is we started to craft some of the revenue and tax measures here so that they would balloon in the outyears, so the impact on the budget would take place in the outyears, so that if we only looked at the narrow 5-year window, we didn't see how bad the picture got when the full effect of our policies took place 5 to 10 or 15 years from now.

But we did more than that. When the administration, for example, says that their plan will balance or cut the debt in half over the next 5 years, they are taking great poetic license with certain assumptions about what will happen in the next several years. For example, the administration's budget, the one they say that will get us to cut the deficit in half in the next 5 years, ignores the costs of the Iraq war after the end of this year.

That makes an assumption I think we would all like to make that there won't be any further war costs after December 31, but that is not a realistic assumption. Even if the last troops have come home by then, there are still billions and billions of dollars to repair, to maintain, to replace the equipment that has been degraded in Iraq.

More than that, we have to prudently expect that the expenses of the Iraq war are not going to come to an end on December 31. Even if all the troops came home, those expenses would not come to an end then.

What other fictions are we using in the budget process? Well, we are assuming that nothing is done about the alternative minimum tax. This tax that was started in the 1970s and was designed to apply to only a few families in the country was never indexed for inflation.

The basic theme behind that, or the theory of that, wasn't a bad theory, it was that several of the largest, wealthiest families in the country shouldn't escape any form of tax because they used a clever combination of tax loopholes. There ought to be some alternative minimum calculation. What was designed to and did apply only to a handful of families in the 1970s, because it was never indexed for inflation, now is applying to millions of people.

This cannot be left unchecked. If the AMT is not fixed, then all of the tax cuts that were given in the last several years will be completely wiped up and replaced with a very large middle-class tax increase.

Now, the administration knows this is a problem that has to be dealt with, but it is very expensive to fix this problem. It is going to require that we deal, very frankly, with some of the different budget priorities that we haven't been willing to deal with.

But by ignoring the impending AMT problem, by ignoring the ongoing costs of the war in Iraq, by narrowing the budget window that we are looking at from 10 years to 5 years, by engaging in these kinds of smoke and mirrors, by taking certain costs off the books, we can present to the country a budget picture which is not reflective of reality.

It doesn't show what dire fiscal straits we are really in. It is one of the reasons why I am so grateful for the work you are doing, Mr. ROSS, to point out to the country just how bad it has got in terms of our fiscal picture to promote the Blue Dog's 12-point plan, part of which is very simple, that is, when you are in a hole the way we are, stop digging.

That is part of our PAYGO proposal that says that we want to stop the hemorrhaging, that when we agree to new spending on this House floor, we should find a way to offset that cost so that we do it in a revenue-neutral way. When we agree on new tax cuts, we should find a way to do that in a revenue-neutral way, either by cutting spending or raising revenues somewhere else.

PAYGO, pay-as-you-go, basically says there is no free lunch, and, indeed, there isn't, as you can see by the fact that every man, woman and child in this country now owes \$28,000. From 2001 to 2003, just a couple-year period, the total government spending soared by 16 percent. We are trying to put a lid on those kinds of increases.

We are trying to urge that the Federal Government simply use accounting practices that the biggest and the best firms in the country have to use. The GAO did a study that showed that 16 of 23 major Federal agencies can't do a simple audit of their own books. Can you imagine, Mr. ROSS, if one of the companies back in your district or mine did their accounting, if they were a public company, they did their accounting the way that the Federal Government does, how long it would be before they were indicted before a Federal grand jury? It wouldn't be long at all.

Now, why is it that we can require transparency and accountability and honest bookkeeping among our private firms in the interests of their shareholders, in the interests of their employees, but we don't seem to require it of the country itself? We haven't set aside funds for a rainy day.

It is something that most businesses do, it is something that most families

do, so that when these tragedies occur, when we have natural disasters, when we have man-made disasters, we have some reserve to go back to. It makes infinite sense.

The economy is a cyclical phenomenon. We ought to have something stored away for a rainy day for when we are in a down part of the cycle. That is only prudent planning. That is part of the Blue Dog plan. We shouldn't hide the votes on this House floor when we are going to raise the debt.

Most Americans are unaware of the fact that the national debt is a little bit like a credit card debt. When we want to raise the national debt, that is when we want to authorize the administration to borrow more money. We have to vote to authorize it the same way that when people want to borrow more on their credit card they have to contact the credit card company and ask them to raise the limit.

How do we do that around here? Well, do we have an up or down vote where we can force people to go on the record and vote either to raise the national debt or against raising the national debt? No, we do more of that smoke and mirrors. We make it a procedural vote on top of a procedural vote on top of a procedural vote. Unless you are a sleuth, there is no way to find out that we have, in fact, voted to raise the debt on all Americans.

We shouldn't hide those votes. We should be open about those votes. We should be held accountable for those votes; and maybe, maybe, if each and every Member had to come to this House floor and defend a vote to raise the debt, we could compel the adoption of sound fiscal practices like pay-as-you-go.

I would love to see that. I would love to be able to join my Blue Dog colleagues and offer an amendment to a motion to raise the national debt that says, all right, we will agree to a short-term increase in the national debt provided that we adopt pay-as-you-go rules, provided that we come back here in a short period of time, we see what action the administration, the Congress are taking, that we don't raise the national debt by great leaps and bounds that let us off the hook for a year at a time, but, rather, give us only a short leash to get our fiscal house in order to show that we are diligently working on it.

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These are some of the reforms the Blue Dogs are advocating. They were good public policy. They would enjoy, I believe, bipartisan support if we had the chance to actually vote on these proposals. And I want to compliment my colleague for all of his leadership on this issue.

Mr. ROSS. I thank the gentleman from California, a real active member and leader within the fiscally conservative Blue Dog Coalition, Mr. SCHIFF, for joining us in the discussion this evening as we outline the Blue Dog



Coalition's 12-point plan for curing our Nation's addiction to deficit spending.

This is the first time in 50 years the Republicans have controlled the White House, the House and the Senate, and they have given us the largest budget deficit ever in our Nation's history for the sixth year in a row. The debt is \$8,365,525,832,151 and some change.

We will be updating that board here in just a few moments to show you, Mr. Speaker, exactly how much the debt has gone up since we started this hour-long discussion about trying to restore some common sense and fiscal discipline to our Nation's government.

Each week it seems as we wind down this hour others come to the floor to refute what we have to say. And one of the favorite sayings each week that we hear from the other side is how we voted against the Deficit Reduction Act. And I think it is important, Mr. Speaker, that everyone understand exactly what the Deficit Reduction Act was really all about.

It was about cutting Medicaid. Eight out of ten seniors in Arkansas in a nursing home are on Medicaid. Half the children in Arkansas are on Medicaid. One out of five people in my home State will be on Medicaid some time this year. It is the health insurance program for the poor, the disabled, the elderly. Student loans, programs for orphans, those are the types of programs that were cut \$40 billion to help pay for another \$90 billion in tax cuts for those earning over \$400,000 a year. Ninety billion minus 40 billion is \$50 billion in new debt, and yet they had the nerve to call it the Deficit Reduction Act.

We are running out of time. And I will yield as we begin to update this board, showing exactly how much the debt, let's just do it real quick. In fact, the debt has gone up \$41,666,000 in this past hour. So that means it is now \$8,365,567,498,151 and some change.

Mr. Speaker, the minute we have left I yield to the gentleman from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. I just want to say, because we are going to get ready for our Republican friends, some of them, to come and try to refute what we are saying, but as the good book, the Bible, says, "Ye shall know the truth and the truth shall set you free."

We have done that tonight. And even Mr. Arme, the Republican's former leader of this House, complained bitterly about the Republican leadership and the direction they were going when he said, "They are in control. They control this town," he said.

There is no reason for us to have these deficits. They cannot refute the fact that under this Republican administration, under this Republican-led Congress they have borrowed more money, they have run up this debt, they have borrowed more money from foreign governments than all of the last 42 Presidents and administrations combined. They cannot argue that point.

They put forward a budget that slams right into the face of homeland and national security by cutting our veterans, by refusing to deal with the concurrent receipts measure, by cutting aid to veterans by a million dollars, and education up and down the line.

So the truth is speaking tonight, Mr. ROSS, and it has been indeed a pleasure for us to be here to tell the truth and set America free.

#### THE OFFICIAL TRUTH SQUAD

The SPEAKER pro tempore (Mr. FITZPATRICK of Pennsylvania). Under the Speaker's announced policy of January 4, 2005, the gentleman from Georgia (Mr. PRICE) is recognized for 60 minutes as the designee of the majority leader.

Mr. PRICE of Georgia. Mr. Speaker, I want to thank the Conference for allowing me to join some of my friends and colleagues this evening and talk about some issues that we have heard a little bit about so far this evening and talk about some other matters as they relate to national security.

I want to introduce the Official Truth Squad. We are back again this evening. People are getting great response all across my district at home about the Official Truth Squad, because people say, isn't it wonderful that finally somebody is talking about the truth. And the gentleman before, just before, talked about the truth and we will show some truth tonight. I urge my colleagues on the other side on the aisle to stick around and look at the real numbers, look at the real numbers.

The Official Truth Squad began with a group of freshman Congressmen. We would meet and have met almost every week since the beginning of last year. And as we began to appreciate and understand how the Congress worked and what kind of issues were being addressed and how they were being addressed on the floor of the House, it became apparent to us that there were a lot of accusations that were flying across and there was a lot of misinformation and disinformation.

And our friends on the other side of the aisle oftentimes utilize what I call "the politics of division," and that is, they split America. They split people into groups and they try to get people to fight, to be angry with each other. And we do not believe that that is the best way to solve problems.

We believe that, together, the challenges that we have, they are not Republican challenges, they are not Democrat challenges; they are American challenges. We believe that together we are able to best solve the challenges that face us. So we formed the Official Truth Squad to try to bring truly some facts, some truth, about the issues that you hear talked about on the floor of the House and elsewhere. We are also frustrated by somewhat of a lack of civility in Washington, so our desire is to try to raise the level of the rhetoric a

little bit and stay away from the partisan and personal sniping that seems to go on.

In fact, when we talk about the truth I am fond of the utilizing a quote that many folks know and that is from Senator Daniel Patrick Moynihan, a fine United States Senator, a former Senator from the great State of New York. He said that everyone is entitled to their own opinion, but not their own facts. Everyone is entitled to their own opinion and not their own facts.

I think that is important to talk about because you have just heard a lot of discussion about a balanced budget amendment and about PAYGO, paying as you go for the Federal Government. And you get the sense that the folks who just present that material hadn't ever had an opportunity to vote on any of those things; that those things had never come up before the Congress, right, Mr. Speaker. That is the kind of sense I got as I was sitting there listening to him. I said they must have not ever had an opportunity to vote on those things.

But in fact, they have, each of the items that they discussed, four separate times in the 1990s. There was a great opportunity to vote on a balanced budget amendment. The majority of the individuals on the other side of the aisle, the majority, in fact, the majority of the folks who were Blue Dogs here voted against a balanced budget amendment, most recently in 2004. And I know it is the truth because you can look it up; it is Roll Call Vote number 311, 311 in 2004. It was about a budget resolution that would make the amount of money that is appropriated binding so that you cannot go above that amount in the Federal Government's spending.

What was the vote then? One hundred eighty-one Democrats voted no. Now, that is the truth. So when you talk about trying to paint the picture of budget responsibility and fiscal responsibility, it is important to look at how people are voting.

They talk about PAYGO, pay as you go, and that is an important thing, and we have been working on that for years. But the most recent time when they had an opportunity to vote on it in 2004, Roll Call Vote number 318, look it up, Mr. Speaker, Roll Call Vote number 318, 2004, not a single Democrat voted for the PAYGO rule. Not one. Not a single Blue Dog that voted, not a single Democrat voted in favor of the PAYGO rule.

So, Mr. Speaker, everyone's entitled to their own opinion, but they are not entitled to their own facts. So I think it is important that we point out facts.

I just want to briefly, before we get into the issue of national security, which we are going to talk about tonight, I think it is important to show the American people what the facts are about some of the other issues that were discussed.

Medicaid, you heard about Medicaid cuts, right, Mr. Speaker? Well, in fact,